

PROSTHETIC LIMB HEALTH INSURANCE

PARITY

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Litvack

Senate Sponsor: John L. Valentine

LONG TITLE

General Description:

This bill amends the Insurance Code to require accident and health insurers to provide coverage for prosthetic devices.

Highlighted Provisions:

This bill:

- defines terms;
- requires accident and health insurers to provide coverage for prosthetic devices; and
- establishes the terms of coverage and the minimum requirements for access to providers.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

31A-22-636, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **31A-22-636** is enacted to read:



31A-22-636. Coverage for prosthetic devices.

(1) For purposes of this section:

(a) "Orthotic device" means a rigid or semirigid device supporting a weak or deformed leg, foot, arm, hand, back, or neck, or restricting or eliminating motion in a diseased or injured leg, foot, arm, hand, back, or neck.

(b) (i) "Prosthetic device" means an artificial limb device or appliance designed to replace in whole or in part an arm or a leg.

(ii) "Prosthetic device" does not include an orthotic device.

(2) Beginning July 1, 2009, an accident and health insurance policy that provides coverage for hospital, medical, or surgical expenses shall provide coverage for benefits for prosthetics that:

(a) at a minimum, equals the coverage provided for under the federal Medicare program pursuant to 42 U.S.C. Secs. 1395k, 1395l, and 1395m and 42 C.F.R 414.202, 414.210, and 414.228 as applicable to this section; and

(b) includes:

(i) all services and supplies necessary for the effective use of a prosthetic device, including:

(A) formulating its design;

(B) fabrication;

(C) material and component selection;

(D) measurements and fittings;

(E) static and dynamic alignments; and

(F) instructing the patient in the use of the device;

(ii) all materials and components necessary to use the device; and

(iii) any repair or replacement of a prosthetic device that is determined medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that is not solely for comfort or convenience.

(3) The coverage required by this section:

(a) may be made subject to, and no more restrictive than, the provisions of an accident and health insurance policy that apply to other benefits under the policy;

(b) may impose a copayment and coinsurance amounts on a prosthetic device, not to

59 exceed the copayment or coinsurance amounts imposed under Part B of the Medicare
60 fee-for-service program;

61 (c) shall reimburse for a prosthetic device at no less than the fee schedule amount for
62 the prosthetic device under the federal Medicare reimbursement schedule;

63 (d) may not impose any annual or lifetime dollar maximum on coverage for prosthetic
64 devices other than an annual or lifetime dollar maximum that applies in the aggregate to all
65 terms and services covered under the policy; and

66 (e) does not apply to a policy that provides benefits solely for:

67 (i) accident only coverage;

68 (ii) a specific disease;

69 (iii) hospital indemnity;

70 (iv) Medicare supplement;

71 (v) long-term care;

72 (vi) disability income replacement;

73 (vii) dental;

74 (viii) vision; or

75 (ix) a limited health plan offered under Chapter 8, Health Maintenance Organizations
76 and Limited Health Plans.

77 (4) If coverage is provided through a managed care plan, offered under Chapter 8,
78 Health Maintenance Organizations and Limited Health Plans, or under a preferred provider
79 plan under this chapter, the insured shall have access to medically necessary clinical care and to
80 prosthetic devices and technology from not less than two distinct Utah prosthetic providers in
81 the managed care plan's provider network.

Legislative Review Note
as of 1-5-09 3:54 PM

Office of Legislative Research and General Counsel

H.B. 89 - Prosthetic Limb Health Insurance Parity

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Local governments may have increased costs for medical insurance. Individuals may benefit from by requiring coverage of prosthetic devices to health insurance providers. Additionally, individuals who purchase health insurance may experience increased costs as well. Businesses may be impacted due to required coverage of prosthetic devices for individuals.
